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Chairman: Mr. Bródi ..... (Hungary)

Vice-Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Kelapile

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The meeting was called to order at 10.15 a.m.

Agenda item 148: Financing of the African Union-United Nations Hybrid Operation in Darfur (A/63/535, A/63/544 and A/63/606)

Agenda item 139: Financing of the United Nations Mission in Ethiopia and Eritrea (A/63/546 and Corr.1 and A/63/602)

1. **Mr. Yamazaki** (Controller), introducing the performance report on the budget of the African Union-United Nations Hybrid Operation in Darfur (UNAMID) for the period from 1 July 2007 to 30 June 2008 (A/63/535), said that the General Assembly, in its resolution 62/232 B, had appropriated $1,499,710,000 gross ($1,479,336,100 net) for the maintenance of UNAMID for 2008/09. The amount of $849,855,000 gross ($839,668,050 net) had been apportioned among Member States for the period from 1 July to 31 December 2008, subject to a decision by the Security Council to extend the mandate of the Operation.

2. The report of the Advisory Committee on the proposed budget of UNAMID for the period from 1 July 2008 to 30 June 2009 (A/62/781/Add.14) had recommended that the Secretary-General should be requested to submit a report to the General Assembly no later than 30 November 2008 on progress in the implementation of the budget. The General Assembly had endorsed that recommendation.

3. The General Assembly, in its resolution 62/232 A, had established a special account for UNAMID, appropriated the amount of $1,275,653,700 gross ($1,264,273,500 net) for the establishment of the Operation, and decided to assess the full amount.

4. Total expenditures for the period from 1 July 2007 to 30 June 2008 had amounted to $1,056,478,600, leaving an unencumbered balance of $219,175,100, an implementation rate of 82.8 per cent. The lower expenditures had been caused primarily by delays in construction projects, procurement activities and personnel deployment. The General Assembly was invited to decide how to treat that unencumbered balance, as well as other income for the period ended 30 June 2008 amounting to $6,268,100.

5. Introducing the progress report on the budget of UNAMID for the period from 1 July 2008 to 30 June 2009 (A/63/544), he said that expenditure of $1,499,710 was projected. Resources needed to be realigned on the basis of a revised redeployment plan, and additional requirements had arisen relating to the airlift of critical equipment into Darfur from El Obeid and Port Sudan and of contingent-owned equipment from countries of origin, as well as to the upgrading of airports at El Fasher, Nyala and El Geneina and the construction of additional accommodation.

6. The General Assembly was invited to assess the amount of $649,855,000 for the maintenance of UNAMID for the period from 1 January to 30 June 2009, in addition to the $849,855,000 already assessed for the period from 1 July to 31 December 2008.

7. Turning to the financing of the United Nations Mission in Ethiopia and Eritrea (UNMEE), he recalled that the General Assembly, in its resolution 62/259, had appropriated $100,367,400 gross ($98,027,600 net) for the maintenance of UNMEE for the period 2008/09, and had decided to apportion among Member States the amount of $50,183,700 gross ($49,013,800 net) for the period from 1 July to 31 December 2008, subject to extension of the mandate of the Mission by the Security Council.

8. The Advisory Committee, in its report on the proposed budget of UNMEE for the period from 1 July 2008 to 30 June 2009 and financial performance for 1 July 2006 to 30 June 2007 (A/62/781/Add.17), had recommended that the Secretary-General should be requested to submit a report to the General Assembly, no later than 30 November 2008, on progress in the implementation of the budget. The General Assembly had endorsed that recommendation.

9. Introducing the revised budget for the period from 1 July 2008 to 30 June 2009 (A/63/546 and Corr.1), he recalled that the Security Council, in its resolution 1827 (2008), had decided to terminate the mandate of UNMEE effective 31 July 2008. The report therefore contained a revised budget of $37 million. That amount provided for the phased repatriation of military personnel by 31 October 2008; the phased repatriation of international staff and United Nations Volunteers; the separation of national staff; and the administrative liquidation of the Mission by 31 January 2009.

10. The General Assembly, for the period from 1 July 2008 to 30 June 2009, was invited to reduce the appropriation from $100,367,400 to $37,016,400 and reduce staff assessment income from $2,339,800 to

$1,111,400; and, for the period from 1 August 2008 to 31 January 2009, assess an additional $28,652,450 for the administrative liquidation of the Mission, taking into account the $8,750,833 already assessed for the maintenance of the Mission for the period from 1 to 31 July 2008.

11. **Mr. Kelapile** (Vice-Chairman of the Advisory Committee on Administrative and Budgetary Questions), introducing the report of the Advisory Committee (A/63/606) on the financial performance report for the period from 1 July 2007 to 30 June 2008 and progress report for the period from 1 July 2008 to 30 June 2009 of UNAMID, said that the Advisory Committee recommended a reduction of $100 million in the amount to be assessed on Member States for the maintenance of UNAMID for the period from 1 January to 30 June 2009, based on, inter alia, the pattern of expenditure for the preceding period, the ongoing delays in the deployment of military, police and civilian personnel and their equipment, and the delayed implementation of engineering and construction projects.

12. The Advisory Committee acknowledged the efforts of UNAMID to implement its mandate, despite the logistical and other challenges facing it, and noted that the newly appointed African Union-United Nations Joint Chief Mediator for Darfur had arrived in the Sudan on 25 August 2008. Although the projected requirements for the period from 1 July 2008 to 30 June 2009 were within the amount of $1,499,710,000 appropriated by the General Assembly in its resolution 62/232 B for the maintenance of UNAMID, as indicated in the progress report (A/63/544), the distribution of resources had changed, with emerging requirements for the airlift of contingent-owned equipment, freight charges and additional construction works offset by reduced requirements associated with the revised military and civilian personnel deployment schedule and the acquisition of prefabricated facilities, generators and passenger vehicles.

13. On human resources requirements, the Advisory Committee noted that UNAMID had formulated and was implementing a revised deployment plan for the period to 30 June 2009. Efforts to recruit and deploy military and civilian personnel were continuing, albeit at a slower pace, following the declaration in July 2008 of security phase IV, as it was felt that an increased United Nations presence in the mission area would enhance security and stability and potentially allow the security phase to be downgraded. However, considering that the revised deployment schedule for military and police personnel could be affected by a number of factors, the Advisory Committee recommended that it should be adjusted by a 35 per cent delayed deployment factor for the remainder of the 2008/09 period, instead of the 20 per cent envisaged by the Secretary-General. The Advisory Committee also recommended the application of a 30 per cent vacancy factor to the revised deployment plan for international civilian staff, instead of the 25 per cent factor envisaged by the Secretary-General, since it had doubts, given the conditions in Darfur, as to whether the planned schedule was achievable, despite efforts by UNAMID to fill civilian posts, including through the targeting of international staff from downsizing missions.

14. The average daily cost for rations, currently procured in Dubai and transported to Darfur by air, had been 17.85 euros, or around $26 at an average exchange rate of $1.5 to the euro, in the 2007/08 period. Given that the United Nations operational rate of exchange as at 9 December 2008 had been $1.29 to the euro, the Advisory Committee recommended adjusting the financial provision for rations accordingly, which would entail a reduction of around 15 per cent.

15. In its report on the proposed budget of UNAMID for the period from 1 July 2008 to 30 June 2009 (A/62/781/Add.14), the Advisory Committee had reiterated its request for a staffing review of the Operation on the basis of actual workload and experience. Although UNAMID, for a number of reasons, had been unable to comply with that request, the Secretary-General had stated in his progress report (A/63/544) that a staffing review committee was being established to review the Operation's structure, the results of which would be reported in the context of the 2010/11 budget proposal. The Advisory Committee expected that the staffing review would be completed on schedule.

16. The Advisory Committee's comments and recommendations on the revised projected requirements for operational costs were set out in paragraphs 33 to 41 of its report. In particular it noted that engineering projects, originally planned to be completed within two years of the Operation's inception, were now expected to continue until the end

of the 2009/10 period. Moreover, following the end of the sole-source contract with Pacific Architects and Engineers (PAE) in October 2008, UNAMID intended to proceed with construction and other engineering projects by utilizing local commercial contracts, military engineering capacities and in-house resources.

17. The Advisory Committee welcomed the Operation's efforts to respond to changing circumstances by revising the engineering plan and exploring innovative management solutions for the provision of construction and contractual services. However, since it was not clear from the progress report how the new arrangements for contractual services would work in practice, the Advisory Committee recommended that the Secretary-General should give a detailed update on engineering and construction works, including projected timelines and a description of measures to ensure a smooth transition from the sole-source contractor to other vendors, as part of the budget proposal for UNAMID for the period 2009/10. It also trusted that the lessons learned from the exceptional use of a sole-source procurement contract would be documented and shared. In the light of the pattern of expenditure and the revisions to the engineering plan, the Advisory Committee considered that the utilization of resources for facilities and infrastructure was likely to be up to 10 per cent lower than projected by the Secretary-General.

18. Given the slow pace of aircraft deployment to date, the targets mentioned in the Secretary-General's progress report (A/63/544) were unlikely to be met; the Advisory Committee therefore recommended applying a delayed aircraft deployment factor of 25 per cent instead of the 15 per cent envisaged by the Secretary-General. The Advisory Committee also noted that the projected expenditures for construction and the acquisition of related equipment included emerging requirements totalling $48.9 million for the enhancement of airport facilities. While recognizing the Operation's need to upgrade some airport facilities in order to meet its basic requirements and ensure the safety of United Nations aircraft and personnel, it considered that significant work on and improvements to national airport infrastructure were the host country's responsibility.

19. Concerning the actions to be taken by the General Assembly in connection with the financing of UNAMID for the period from 1 July 2007 to 30 June 2008, as indicated in the performance report (A/63/535), the Advisory Committee recommended that the unencumbered balance of $219,175,100, and other income/adjustments in the amount of $6,268,100, should be credited to Member States as determined by the Assembly. With regard to the financing of UNAMID for the period from 1 January to 30 June 2009, as indicated in the progress report (A/63/544), the Advisory Committee, in the light of the comments and recommendations set out in its report, and in view of the cash balance currently available to the Operation, recommended that the General Assembly should assess an amount of $549,855,000 for the maintenance of the Operation, rather than the amount of $649,855,000 requested by the Secretary-General.

20. Introducing the Advisory Committee's report on the revised budget for UNMEE for the period from 1 July 2008 to 30 June 2009 (A/63/602), he said that the Advisory Committee recommended approval of the Secretary-General's proposals, following termination of the Mission's mandate by the Security Council, effective 31 July 2008. Liquidation was due to be completed by 31 January 2009. The revised estimates for 2008/09 totalled $37 million, compared with an initial appropriation of $100 million. As at 31 October, all military personnel and most substantive staff had left the area, while 108 international staff, 130 national staff and 38 United Nations Volunteers remained to assist with liquidation.

21. A preliminary asset disposal plan had been finalized. Destinations had been agreed for the assets that were to be retained. The destination of the other assets, including their sale or donation to the host countries, had not yet been decided. As at 25 November 2008, some 16,000 assets, with an inventory value of $56 million, had yet to be disposed of. The Advisory Committee encouraged the Secretary-General to intensify his efforts with a view to resolving those issues in a timely manner.

22. The Advisory Committee had been informed of various difficulties with liquidation, in particular involving site clearance. Some of those challenges were described in the report of the Secretary-General. The Advisory Committee welcomed the fact that UNMEE had acted proactively in planning for its human resource requirements, facilitating reassignment of international staff and improving employment prospects for national staff. It had noted the efforts made by UNMEE to coordinate with the Department of Field Support to ensure that staff who had offers from

other missions remained at UNMEE for as long as was necessary.

23. **Ms. Pataca** (Angola), speaking on behalf of the Group of African States, said it was regrettable that the proposed budget for UNAMID for the period from 1 July 2008 to 30 June 2009, which, at $1,699,710,000, was the largest of the peacekeeping budgets due for consideration by the Committee, had not come before it until four days before the end of the session. Recalling that the Committee had justifiably decided, at the second part of the resumed sixty-second session of the General Assembly, to make a significant reduction in the Operation's budget, and bearing in mind that UNAMID was halfway through its budget cycle, the Group considered that a further reduction in the UNAMID budget, as recommended by the Advisory Committee, would be untimely. The Group was convinced that, given the scale and hybrid nature of the Operation, it should receive the resource level of $649,855 million proposed by the Secretary-General. While mindful of the Operation's challenging mandate and its backlog in terms of realizing full deployment, the Group was confident that UNAMID would be at full strength by the end of 2009.

24. The Group noted that the Operation must work within frameworks corresponding to the tasks set out in the report of the Secretary-General and the Chairperson of the African Union Commission on the hybrid operation in Darfur (S/2007/307/Rev.1) and reaffirmed by the Security Council in its resolution 1769 (2007). It welcomed the ongoing cooperation between UNAMID and the Sudanese Government, in the context of which the Government had agreed to allow UNAMID to use the local airports in Darfur for extended hours, thereby allowing the airlift of priority equipment, and had authorized it to upgrade El Fasher and Nyala airports as well as the new airport at El Geneina. The Group looked forward to significant progress in deployment as a result.

25. **Mr. Sugiura** (Japan) expressed concern that the Committee had not begun its consideration of the agenda items currently before it until the last week of the main part of the sixty-third session. Since UNAMID was one of the biggest peacekeeping operations — of importance not only for the region but also for the entire world, with a budget of over $1 billion — and the liquidation of UNMEE was continuing, the Committee should have been given ample time to consider the two items, in order to ensure that all operations established by Security Council mandate were implemented effectively, while also striving to enhance budgetary discipline, accountability and transparency.

26. With regard to the performance report on the budget of UNAMID for the period from 1 July 2007 to 30 June 2008 (A/63/535), it was regrettable to note that, although the transfer of authority from the African Union Mission in the Sudan (AMIS) to UNAMID had taken place on 31 December 2007 as scheduled, and the regional office in El Fasher and three sub-offices of the United Nations Mission in the Sudan (UNMIS) had been subsumed into UNAMID on 1 January 2008 as planned, the political process had remained at a standstill and the road map had reached an impasse during the reporting period, despite the mediation efforts of the African Union and the United Nations Special Envoys for Darfur. His delegation also regretted the delayed deployment of the Operation's uniformed personnel in Darfur, which was the main factor accounting for the unencumbered balance of $219,175,100. It wished to have further information on that balance, which remained unencumbered despite the substantial reduction in appropriation by the Advisory Committee and the General Assembly.

27. Turning to the progress report on the budget of UNAMID for the period from 1 July 2008 to 30 June 2009 (A/63/544), he noted that the Secretary-General, in his report of 9 April 2008 (A/62/791 and Corr.1 and 2), had proposed a maintenance budget of $1.7 billion. The Advisory Committee had recommended the assessment of a total amount of $849,855,000 for the period from 1 July to 31 December 2008 and the General Assembly, by its resolution 62/232 B, had appropriated an amount of $1.5 billion and apportioned among the Member States the amount of $849,855,000 for the maintenance of the Operation for the period from 1 July to 31 December 2008. It was regrettable that the deployment of the Operation's military and police personnel had been delayed due to difficulties in transportation, engineering and security. Incumbency rates against the original deployment schedule in the proposed budget had been 52.7 per cent for uniformed personnel and 65.2 per cent for civilian personnel as at 30 September 2008. While the Secretary-General had revised the deployment plan and proposed assessment of the amount of $649,855,000 for the maintenance of the Operation for the period from 1 January to

30 June 2009, in addition to the amount of $849,855,000 already assessed, and the Advisory Committee, after due consideration of the updated information, had recommended that the General Assembly should assess an amount of $549,855,000 for the maintenance of the Operation for the period from 1 January to 30 June 2009, his delegation believed that consideration should be given to the possibility of adjusting the assessment level based on updated information as it became available, as a way of preserving the balance between effective mandate performance and budgetary discipline. It appreciated the Advisory Committee's efforts to that end. As already stated on 6 November 2008 under the agenda item on improving the financial situation of the United Nations, his delegation would be carefully considering every means of making missions more cost-efficient and, with a view to a further adjustment of the assessment level, he requested that the Secretary-General should provide the General Assembly with the latest information on force generation and preparations for deployment.

28. With regard to the United Nations Mission in Ethiopia and Eritrea, his delegation noted the Secretary-General's proposals to reduce the appropriation of $100,367,400 approved by the General Assembly under the terms of its resolution 62/259 for the maintenance of the Mission for the period from 1 July 2008 to 30 June 2009 to the amount of $37,016,400 and to assess the additional amount of $28,652,450 for the administrative liquidation of the Mission for the period from 1 August 2008 to 30 June 2009, taking into account the amount of $8,700,833 already assessed on Member States for the Mission for the period from 1 to 31 July 2008. The Advisory Committee had recommended that the General Assembly should approve those proposals.

29. His delegation requested that the liquidation should be completed by the end of January 2009, as indicated in the Secretary-General's report on the revised budget (A/63/546). It concurred with the Advisory Committee on the importance of adequate oversight during the liquidation phase, as well as on other issues raised in its report (A/63/602).

30. Reiterating his delegation's full support for the Secretary-General's efforts to maintain peace and security, he said that cooperation between the host countries of the peacekeeping operations and the United Nations was key to the successful fulfilment of the Security Council's mandates.

31. **Mr. Abdelmannan** (Sudan) reiterated his delegation's concern at the late issuance of the Advisory Committee's report on UNAMID. Such delays caused important items to be taken up at the very end of the Committee's work. As a result, delegations were forced to adopt decisions in haste without due preparation. The problem had been worsening and there seemed little prospect of an improvement. He therefore called on delegations to consider assigning the question of the late issuance of documentation its own agenda item.

32. His Government was cooperating with the African Union and the United Nations in the deployment of UNAMID to help the parties in the Sudan to implement the Darfur Peace Agreement in all its aspects, with a clear exit strategy in accordance with Security Council resolution 1769 (2007). In order to achieve a sustainable peace, his Government had launched the Sudan People's Initiative, reaching out to all Sudanese leaders, including political parties, civil society representatives of the people of Darfur and leaders of armed groups, whether signatories of the Peace Agreement or otherwise. The Initiative had given rise to comprehensive recommendations, and the President of the Sudan had declared a unilateral ceasefire. In the context of such Arab-African initiatives, Qatar was also seeking to convene a meeting of the parties with a view to finding a permanent solution as quickly as possible. He called on the United Nations and the international community to support those initiatives, and to encourage rebel movements to listen to reason and answer the call for peace; the Government of the Sudan was doing everything in its power.

33. The progress report on the budget of UNAMID (A/63/544) made it clear that the Government of the Sudan was in full cooperation. The Government had granted UNAMID use of airfields at El Fasher and Nyala for extended hours, as well as of the new El-Geneina airport. Authorization had been given for UNAMID to upgrade all three facilities. He hoped that UNAMID would be able to complete that work and achieve its full complement of helicopters and fixed-wing aircraft.

34. UNAMID had been given authorization to construct facilities in Northern, Western and Southern

Darfur, including super camps. Enabling works had begun for the expansion of existing camps and the construction of new ones. He welcomed the Secretary-General's acknowledgement of his Government's cooperation, and trusted that stakeholders would honour their commitments.

35. The Sudanese Government of National Unity had in March 2008 adopted a national disarmament, demobilization and reintegration strategy. In June of that year, a multi-year plan had been developed in order to ensure that demobilized rebels did not take up arms again.

36. He hoped that a greater proportion of national staff would be employed. The performance report (A/63/535) referred to a 51 per cent variance between apportionment and expenditure in that area. He would be grateful for details of the numbers of locally linked staff, and of the results of seminars held in the country and abroad to attract national staff; more should be recruited for the benefit of both the local community and the United Nations Mission in the Sudan.

37. His delegation also requested further information, orally and in writing, on measures taken to implement paragraph 30 of General Assembly resolution 62/232 A concerning a review by the Office of Internal Oversight Services.

38. **Mr. Yamazaki** (Controller) reiterated that the projected expenditure for the maintenance of UNAMID for the 2008/09 period, as presented in the Secretary-General's progress report (A/63/544), remained at the level of resources appropriated by the General Assembly in its resolution 62/232 B, namely $1,499,710,000. The appropriation would need to be financed in its full amount to enable the Operation to implement its mandate in the 2008/09 period.

The meeting rose at 11.15 a.m.